

To Whom It May Concern:

I spoke at the October 29 *en banc* on behalf of the California Low-Income Consumer Coalition ("CLICC"). I am writing to follow up on that presentation with two suggestions that would help cure the consumer abuses and market failures that I identified:

1. An analog to the Federal Trade Commission's Holder in Due Course Rule should be enacted in California law, making clear that if a residential solar or energy efficiency improvement is financed through a Property Assessed Clean Energy (PACE) assessment, an unsecured loan, or a lease, that the PACE administrator, the unsecured creditor, or the lessor is liable for the acts and omissions of the responsible contractor if the contractor goes out of business and the contractor's bond is insufficient to cover damages stemming from those acts and omissions.
2. The California Consumers Legal Remedies Act, Cal. Civ. Code sec. 1750 et seq. should be amended to specify that it is an unfair and deceptive practice for home improvement contractors to negotiate the terms of financing (whether PACE, unsecured loan, or lease) for residential solar or energy efficiency improvements.

CLICC would be pleased to provide statutory language to effect these proposals upon request of the California Public Utilities Commission or the California Energy Commission.

Kind regards,
Jith

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